Transcript of U.S. Press Briefing on the status of the CAFTA talks USTR Spokesman Richard Mills December 16, 2003 The Mayflower Hotel, Washington, DC

We're very pleased with the progress made so far.

US free trade agreements are comprehensive, meaningful agreements. They are not easy; we strive for the best possible.

We are working hard, all six countries, and we continue to make progress.

Costa Rica has indicated they need to consult further with San Jose, their capital, so that process will continue. We understand this.

Ambassador Zoellick and Minister Trejos will be speaking next week. We remain interested and positive towards including Costa Rica.

Obviously, services is a critical issue for us, two-thirds of our economy is the services economy. Costa Rica has a monopoly in telecommunications and insurance, and there are some issues related to dealer protections. So these issues will have to be addressed.

The CAFTA talks are continuing now and will continue into the evening.

So now I'll be able to take a few questions. Marty?

Question: Will you try to wrap up without Costa Rica? Will that be the goal now?

Mills: Well what we are trying to do is continue the talks, and they are going to be continuing this evening. As I've indicated, Cost Rica is going to be consulting further with their Capital, all six countries are engaged at this point in the process, and so the talks will be continuing. And I don't wish to elaborate any further on that.

Question: Our Minister said that the negotiations will close and continue in January. According to what you said, insurance and telecommunications are the reason that the negotiations with Costa Rica ended.

Mills: Well as I indicated, Costa Rica will be consulting further, that's what they've indicated to us. Ambassador Zoellick and Minister Trejos will be speaking next week.

And I've just tried to convey a sense of an important issue for the United States, which is the services economy. It's two thirds of our economy, and I've pointed out a number of areas that are issues that we believe need to be addressed.

I would not wish to characterize the situation with Costa Rica any further. I would leave that to the Costa Ricans.

Question: Can the United States foresee a free trade agreement without Costa Rica? Can you sign with four countries?

Mills: I don't wish to speculate or comment about what could, or should, or might possibly or could happen in the future. We're focused right now on working with our negotiating partners to craft the very best FTA.

We want to open markets for all our peoples and we want to promote economic freedom, and lowering of barriers, and the lowering of tariffs, amongst the six countries because we're all neighbors, and we're all friends.

Question: Will the agreement close today, with the other four countries in light of Costa Rica, investment, textiles, and sugar?

Mills: The most up-to-date information I can give you is that we're all working very hard to complete these negotiations. I'm not going to speculate about what could, or should, or might happen.

From our perspective, we've all been working very hard, and in a productive manner. And we've been pleased with the engagement so far, and we wish to continue with the negotiations, as do our partners, now and this evening.

Thank you very much.

###